



Kentucky Department of Insurance Agent Licensing Frequently Asked Questions

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<http://insurance.ky.gov>
DOI.AgentLicensingMail@ky.gov

1. *How do I become an insurance agent in Kentucky?*

Residents:

- Complete 20 hours of pre-licensing training for each major line of authority. Upon completion of the courses, fax or email the Certificate of Completion form, Form CPL-01, to Agent Licensing.
- Apply for criminal background report ONLINE at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. The cost is \$15, payable by credit card or electronic check. **Fee is non-refundable.**
- Complete and submit electronic application through www.nipr.com. Select "resident initial license application." Licensing fees may be paid by credit card or electronic check. **Fees are non-refundable.**
- File proof of financial responsibility (legal liability) with the Department of Insurance.

Please note: you may take an examination without filing proof of financial responsibility, but if exam is passed, the license remains in a pending status until proof of professional liability coverage is filed with the DOI. (Also see details in question #9.)

- Once we have received and processed all requested information, you may track the status of the application and schedule your examination through a secure eServices account.
<https://insurance.ky.gov/eservices/default.aspx> To set up a new account, click on "first time here," complete requested information, and submit.
- Quick reference for **all** resident applicants:
<http://insurance.ky.gov/Documents/QuickRefResLic051809.pdf>

Non-Residents:

- You must hold the same class of license and line of authority in your home state.
- Apply as non-resident initial license applicant at www.nipr.com.
- Non-resident **agents** are not required to file continuing education or financial responsibility in Kentucky.
- Quick reference for **all** non-resident applicants:
<http://insurance.ky.gov/Documents/QuickRefNonResLic051809.pdf>

If you are applying for an Agent License, please do not select "Consultant" on the application. You must hold a consultant license in your resident state to apply for this license.

2. I am a resident of Kentucky who just finished my pre-licensing. What is my next step?

- Complete background check by ordering the report at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. The cost is \$15, payable by credit card or electronic check.
- Submit your pre-licensing certificate(s) to the Department of Insurance via email at DOI.AgentLicensingMail@ky.gov or fax to 502-564-3384.
- Complete your application online at www.nipr.com.
- Shortcut to licensing process for resident agents:
<http://insurance.ky.gov/Documents/QuickRefResLic051809.pdf>
- Also, see details in Question #1.

3. I have a criminal record. Will you review my criminal history prior to my application?

- No. The DOI has no authority to review information prior to the submission of the application and will not make any approvals or denials without following the proper application process.
- Each record is reviewed and processed on a case by case basis once the application and all supporting documentation are submitted for processing.
- Please see link below for the background infraction guideline to assist you with providing details and proper paperwork for each affirmative answer on the insurance application.
<http://insurance.ky.gov/Documents/GuidelinesBckgrndInfoPublic032210.pdf>

4. How do I apply to become an adjuster in Kentucky?

- If you hold a resident adjuster license in another state, you may apply for non-resident adjuster license through www.nipr.com. Select non-resident initial application from the menu, enter your resident state, resident license number, and complete the application.
- If you have passed a state-administered adjuster examination in a state other than your home state, you must apply in KY as a non-resident adjuster with a paper application using Form 8301. Link to Form 8301: <http://insurance.ky.gov/Documents/8301IndAppForm032210.pdf>
- If you have not passed a state-administered adjuster examination, you must apply in KY as a resident adjuster, and pass our examination. Electronic application must be completed at www.nipr.com
- Background checks are required for adjusters who live in Kentucky OR who are applying as resident, and taking the Kentucky exam. Apply for criminal background report ONLINE at

<http://courts.ky.gov/aoc/AOCFastCheck.htm>. The cost is \$15, payable by credit card or electronic check. **Fee is non-refundable.**

- **All adjusters** must file Form 99-3 (Surety bond - \$1000 minimum, purchased from a KY-admitted insurer, and requires licensee signature, date and notarization), or Form 99-6 (Insurer assumption of legal liability – from a KY-admitted Insurer). Only the KY-admitted insurance companies have these forms, and they must be requested at time of purchase. Form 99-6 may be submitted electronically by the insurer through their eServices account.

5. Do non-resident adjusters need a background check and proof of financial responsibility?

- **All adjusters** must file Form 99-3 (Surety bond - \$1000 minimum, purchased from a KY-admitted insurer, and requires licensee signature, date and notarization), or Form 99-6 (insurer assumption of legal liability – from a KY-admitted insurer). Only the KY-admitted insurance companies have these forms, and they must be requested at time of purchase. Form 99-6 may be submitted electronically by the insurer through their eServices account.
- Background checks are required for adjusters who live in Kentucky OR who are applying as resident, and taking the Kentucky exam. Apply for criminal background report ONLINE at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. The cost is \$15, payable by credit card or electronic check. **Fee is non-refundable.**

6. How long does it take to process an application? Paper? Online?

- Paper applications are processed within five to seven business days from the day of receipt in the DOI.
- Online applications are processed within 48 business hours, providing all other requirements are complete.
- Applications may be tracked and monitored online at <http://insurance.ky.gov> by setting up secure access through eServices. From Web site home page, click on red eServices icon in upper right-hand corner. Click on “first time here” under login information to set up a new account to monitor status of application, schedule or reschedule an examination, and many other electronic services.

Please note: When all applicable information is received, we will process applications within these timeframes. However, if you have a background infraction or are missing any information that is necessary for processing your application, it may take longer to process. These timeframes are based on normal business processing.

7. How do I obtain a copy of a background check?

- Apply for criminal background report ONLINE at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. The cost is \$15, payable by credit card or electronic check. **Fee is non-refundable.**

- The report is valid for 60 days only.

8. How do I set up an eServices account?

- You may set up an eServices account by accessing our Web site at <http://insurance.ky.gov>. Click on red eServices icon in upper right-hand corner. Click on “first time here” under login information to set up a new account to monitor status of application, schedule or reschedule an examination, and many other electronic services.
- NOTE: You will be unable to set up an account until your application is received and processed at DOI.

9. What is financial responsibility and where do I obtain it?

- Financial responsibility is the legal liability that covers the acts of the licensed person or business entity. Resident agents, and certain special class licensees, are required to file proof of this coverage to DOI, and maintain it for the duration of the license.
- Begin by contacting your local agent, but that agent must represent Kentucky-admitted insurers.
- You may take an examination prior to filing proof with DOI, however the license remains in PENDING status and cannot be issued until proof of financial responsibility is filed directly with the Department, by the insurer or financial institution authorized to write such coverage, on **any one** of the following prescribed forms, requested from a Kentucky-admitted insurer:
 - Errors and omissions liability policy minimum limits of \$20,000 per occurrence and \$100,000 aggregate – Form 99-1, form may be emailed to DOI.AgentLicensingMail@ky.gov or faxed to 502-564-6030, or submitted electronically by the insurer
 - Letter of credit – Form 99-2 minimum \$20,000, original must be mailed to the address on the form. This form is provided by a financial institution.
 - Surety bond – Form 99-3 minimum \$20,000, the original must be mailed to the address on the form. This form is NOT accepted electronically, DOI must receive the original by mail. Licensee must sign, date and notarize this form prior to mailing.
- Insurer’s assumption of legal liability - Form 99-6 is accepted as proof of financial responsibility for issuing the license. For agent applications, Appointment Form 8302-AP and appointment fee (\$40 per Insurer) must be filed by the insurer in conjunction with the license application, then Form 99-6 may be submitted electronically by the Insurer.
- All adjusters and apprentice adjusters must provide proof of financial responsibility with a minimum limit of \$1000. It may be filed as Form 99-3 Surety Bond, or Form 99-6 Insurer Assumption of Legal Liability. Form 99-6 may be submitted electronically in conjunction with the application.

- Also, see details in Question # 4. Other helpful information for all resident license classes:
<http://insurance.ky.gov/Documents/QuickRefResLic051809.pdf>

10. How do I find a list of continuing education providers?

- Please see our Web site for a complete listing of all approved providers, courses, and instructors. Click on each provider name in order to view the listing of courses, credit hours, type of course, and provider contact information. <http://insurance.ky.gov/CE/vProviders.aspx?id=3>

11. How many continuing education hours are needed to be compliant and what is the breakdown?

- Continuing education for resident insurance agents are as follows:
 - 3 hours in ethics
 - 6 hours in one or more of your licensed line of authority
 - 24 hours total are required to be compliant
 - Hours may be classroom, self-study or any combination thereof

12. How do I renew my license? Can I renew by paper?

- **OPTION #1 – NIPR:** *Note to adjusters and special classes – you MUST hold a resident state insurance license in order to renew through NIPR.* Go to www.nipr.com and click on the renewal application in the left hand column under resident or non-resident licensing, whichever is applicable. You will need to know your resident state license number, and your National Producer Number (NPN). If you do not know your NPN number, it will allow you to retrieve it directly from the renewal screen. Follow the prompts to complete the process. Please confirm renewal completion on the Kentucky Web site: <http://insurance.ky.gov>.
- **OPTION #2 – eServices:** To renew your license through the Kentucky Department of Insurance Web site, you must have an eServices account set up. If you need to create an account, click on eServices from DOI home page:
<https://insurance.ky.gov/kentucky/secured/Eservices/default.aspx> Click on “first time here,” complete the requested information, and submit.
NOTE: License renewal fee for agent license is zero if licensee holds active insurer appointment(s). You must renew even if fee is zero. If you have no insurer appointments at time of renewal, the fee is applied. No new license certificate is provided at time of renewal. Current license certificate is continuous until terminated or revoked.

13. I completed my continuing education and filed the hours with the Department timely, why am I pending replacement? Or why am I inactive?

- If you completed and filed your CE hours but did not renew your license by the compliance date, your license will change to **pending replacement** for license renewal, and no new appointments or designations will be permitted until the license is renewed.

- See license renewal instruction options in Question #12. You must renew your license in addition to completing your continuing education hours. If you fail to renew license while in the pending replacement status (within 60 days from the last day of your birth month), the license expires.
- When a license expires (**inactive** status for license, appointments, and designations), you must apply for reinstatement of license. This requires new license application, license fees, Administrative Office of the Courts (AOC) background report (if applicable), financial responsibility (if applicable), and there will be a gap in licensure. Upon reinstatement of license, all insurers must re-appoint licensee for appropriate lines of authority.

14. I renewed my license, when do I receive my new license?

You will **not** receive a new license certificate upon renewal. Current license certificate is continuous until terminated or revoked. If your company needs proof of renewal, you may complete an agent/agency search from our Web site. Click on your name to view license and appointment status, renewal and CE information. <http://insurance.ky.gov>

15. How do I order a duplicate or replacement license?

- You may complete this through eServices. (See Question #8) <https://insurance.ky.gov/Eservices/default.aspx> Click on duplicate license certificate request. Fee is \$5 per certificate.

16. How do I change my address? Name? Email?

- You may complete these changes through eServices. (See Question #8) <https://insurance.ky.gov/Eservices/default.aspx>
- Non-resident licensees may update license record information through www.nipr.com. *Record changes may be made for all states in which you hold a license, at the same time.* Click on “Address Change” to begin this transaction.

17. I recently moved and my new state is requesting a clearance letter. How do I get one?

- If you are no longer conducting business in Kentucky, you must complete a voluntary surrender of license. The clearance letter may be requested at this time - \$5 per letter. This action may be completed through eServices: <https://insurance.ky.gov/Eservices/default.aspx> , or by submitting Form VS – Voluntary Surrender of License: <http://insurance.ky.gov/Documents/VSVoluntarySurrender092309.pdf>
- If you wish to KEEP your Kentucky license, but change it to “non-resident” status, submit a record correction request through eServices: <https://insurance.ky.gov/eservices/default.aspx> or submit Form 8303 to change your address and residency status: <http://insurance.ky.gov/Documents/8303ChangeAddressForm111809.pdf>
The clearance letter may be requested at this time - \$5 per letter.

- ***NOTE: You may want to check with your new resident state's DOI to see if a clearance letter is necessary. All states may verify license status on the National Insurance Producer Registry (NIPR), and most states no longer require a clearance letter.***

18. How do I license a business entity?

Resident BE:

- Business entity must register with the Kentucky Secretary of State – <http://sos.ky.gov>.
- If applying for a business entity agent license, the designated responsible producers must be licensed in Kentucky and appointed by an insurance carrier for the same lines of authority that the business entity is requesting. The designated responsible individual for other business entity licenses must be licensed in Kentucky.
- Business entity must apply through www.nipr.com for licensure (processed within 48 business hours providing all requirements are completed), or submit Form 8301-BE by mail: <http://insurance.ky.gov/Documents/8301BEBusEntity031810.pdf> (paper applications are processed within 5 to 7 business days, providing all requirements are completed.)
- The fees for an agent resident BE - \$100 application fee plus \$100 for each line of authority requested.
- See link to fee schedule enclosed below for the fees for other business entity licenses.
<http://insurance.ky.gov/Documents/FeeSchedule032210.pdf>

Non-Resident BE:

- If applying for a business entity agent license, the initial designated responsible producer must be licensed in KY for the same lines of authority that the BE is requesting. All additional designated responsible producers must be licensed for the same lines of authority and appointed by at least one insurance carrier. The designated responsible individual for other business entity licenses must be licensed in KY. Note: non-resident business entities are advised to check with the Kentucky Secretary of State's office – Web address is <http://sos.ky.gov> – to ensure compliance with corporate laws.
- Business entity must apply through www.nipr.com for licensure (processed within 48 business hours providing all requirements are completed), or submit Form 8301-BE by mail: <http://insurance.ky.gov/Documents/8301BEBusEntity031810.pdf> (paper applications are processed within 7 business days, providing all requirements are completed.)
- The fees for a non-resident agent BE - \$120 application fee plus \$120 for each line of authority requested.
- See link to fee schedule enclosed below for the fees for other business entity licenses.

19. How do you designate an individual agent to a business entity?

- When applying for an agent license, the designated individual must be licensed for the same line or lines of authority the business entity is requesting before the designation can be made active.
- The application will only be processed for the line of authority the initial designated individual agent holds with the Kentucky DOI.
- You may designate or terminate an individual agent or an individual for a license other than agent through your Business eServices account – add or terminate designations.

<https://insurance.ky.gov/eservices/default.aspx>

20. If the individual license is active, why is the business license pending?

- The business entity may need to provide additional information to finish the processing of the application that was submitted for licensure. The business may check their status online through their secure eServices account. Our office also sends a letter to the business entity that states the reason(s) that the application is in a pending status and allows the business 30 days to submit the requested additional information before the application will be placed in a denied status.

21. Our business entity changed their FEIN, what do we provide to show the change?

- If the FEIN was changed due to an organizational change, you must submit the supporting documentation and Form 8303 – Record Correction Request:
<http://insurance.ky.gov/Documents/8303ChangeAddressForm111809.pdf>
- If the FEIN was changed due to the business being sold OR the business is closing, you must surrender the license and apply with a new application and all applicable fees for the new business entity.
- If the business entity changed both the FEIN AND the name, you must follow the same guidelines as noted above.

22. I just applied online through NIPR and I got an email back stating that I need an assumed name document from the KY Secretary of State. How do I get this or what do I do?

- If you are an individual and use a “doing business as” (DBA) name, you must fax a statement on the letterhead, or provide us with a business card listing the DBA name for our file. Fax (502) 564-6030. The DBA name will be printed on your license certificate.
- If you inadvertently placed a nickname or maiden name in that section of the application, no further documents are required. Staff will see the names when processing the application, and move them to “alias” name instead of DBA name. The alias name does not print on the license certificate.

23. I just moved to KY from another state, how do I change my KY license to resident status?

- If you hold a KY non-resident license, and you are just changing residency, you must submit the following:
 - Paper Insurance Application Form - 8301 with appropriate supporting documentation for any affirmative background answers.
 - Apply for criminal background report ONLINE at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. The cost is \$15, payable by credit card or electronic check. **Fee is non-refundable.**
 - Financial responsibility – see details in Question # 9.
 - NO FEES ARE REQUIRED if you are changing residency and currently hold the KY non-resident license, AND the change is within 90 days of previous resident state inactive status.

24. I just got a letter that states the National Producer Database indicates you hold a resident license in another state. You must obtain this license in your resident state before receiving a KY non-resident license. What does that mean?

- In order to hold an active non-resident license in the state of Kentucky, you must hold the same license class and lines of authority in your home state as a resident agent.
- If you applied for a consultant license but hold an agent license in your resident state and intended to apply for a non-resident agent license then you may send an email to request a correction from consultant to agent; correct page 2 of the application and additional fees will be required.

MAJOR CHANGES THAT IMPACT LICENSEES SUBJECT TO CONTINUING EDUCATION (CE):

- 12-hour classroom continuing education requirement was removed. A licensee may choose to take all or part of their continuing education courses as correspondence, self-study, or distance learning. The 24-hour total, that includes 6-hour line of authority and 3-hour ethics requirements did not change, and are still required each compliance period.

CONTINUING EDUCATION PROVIDER TRAINING: LEGAL & ETHICAL ISSUES

The following information was shared on June 24, 2009

RELEVANT INSURANCE CODE STATUTES AND REGULATIONS

KRS 304.9-260: Continuation and expiration of license; receipt of renewal fees; continuing education documentation.

KRS 304.9-295: Biennial continuing education requirements for licensed agents; exceptions; courses; number of hours; failure to complete; penalty.

806 KAR 9:220: Continuing Education. This is the main regulation regarding course and instructor approval.

806 KAR 9:340: Forms for application, appointment, pre-licensing, and continuing education course completion; examination retake, provider and course approval; filing fee submission, instructor approval, continuing education attendance roster, and certificate of completion; specialty credit insurance producer supplement to license application, rental vehicle license supplemental application, continuing education certificate of completion, rental vehicle managing employee, continuing education certificate of completion; unlicensed employees, and representatives of rental vehicle agent; record correction, and background check request.